



THE BROWNFIELDS STUDY

GROUP 2008

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May 5, 2008

The Honorable David R. Obey, Chairman
House Appropriations Committee
Washington, D.C. 20515

Dear Chairman Obey,

Re: Ensuring Adequate Funding for Brownfields Revitalization

We are writing to urge you to expand funding for the EPA and HUD brownfields programs. As you know, many Wisconsin communities are struggling to address abandoned factories that blight our communities, erode the local tax base, and pose a potential hazard to public health. Federal brownfields programs are helping turn these liabilities into assets, but more resources are needed to hasten revitalization of communities.

EPA Brownfields. We recommend funding at the full \$250 million level, as authorized by the Small Business Liability Relief and Brownfields Revitalization Act of 2001 (the "Brownfields Revitalization Act").

Funds under this program are used to assess and clean up brownfields sites. By any measure, the EPA Brownfields program has been tremendously successful. Since 1995, EPA has invested approximately \$1.3 billion in brownfields site assessment and cleanup, leveraging \$1.3 billion in cleanup and redevelopment dollars - a nearly eight-to-one return on public investment. EPA's brownfields program has resulted in the assessment of more than 10,000 properties and helped to create more than 48,000 new jobs nationwide. These impressive numbers only tell part of the story, as communities across the country report that brownfields projects are often lynchpins to spurring larger revitalization efforts, increasing local tax revenue, and bringing new vitality to struggling neighborhoods and communities.

While the EPA Brownfields Program has helped numerous communities, much remains to be done. Experts estimate there remain as many as 1 million brownfield properties nationwide. These sites continue to blight neighborhoods, discourage new investment, and undermine economic progress in many communities. Historically, EPA has been able to fund only about one third of the qualified applicants for Federal brownfields grants.

HUD Brownfields and HUD 108. We recommend funding levels of: (1) \$25 million for HUD's Brownfields Economic Development Initiative (BEDI) program; and (2) \$6 million in FY 2008 appropriations to support \$275 million in HUD Section 108 loan guarantee authority.

The two HUD BEDI program must be distinguished from the EPA Brownfields program. While EPA brownfield funds can be used for environmental assessment and cleanup, EPA funds cannot be used for demolition, infrastructure, grading, building rehabilitation and other basic site preparation and

physical development needs that are essential components of most brownfield redevelopment projects. Only HUD funds can help communities meet these needs.

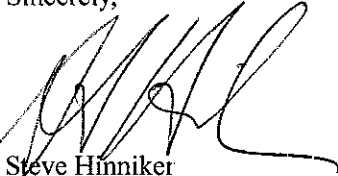
HUD 108 funds allow communities to finance major redevelopment projects - on brownfield or otherwise blighted properties - by borrowing against future CDBG entitlements. HUD 108 is the only federal community development program that is geared to the kind of larger scale redevelopment that can transform dilapidated distressed communities into thriving new urban centers.

There is yet another reason to support adequate funding of this grant program. Brownfield redevelopment serves to reduce the carbon footprint of this type of development vs. greenfield development projects. Generally speaking, brownfield redevelopment occurs in urban settings which serve to reduce vehicle miles traveled (VMTs) and the carbon dioxide emissions associated with VMTs vs greenfield developments which are generally associated with higher VMTs.

Also, reuse of existing brownfield is not characterized by the release of significant sequestered carbon emissions associated with soil excavation/stripping in greenfield development. It has estimated that carbon emissions associated with such soil work on greenfield projects is in the range of 60-100 tons per acre of development. For all of these reasons, adequate funding of brownfield development will serve to reduce carbon emissions by making such developments more attractive than the alternative greenfield developments.

Again, we urge you to ensure adequate funding for brownfields programs for FY 2009. Without these critical seed funds, hundreds of thousands of brownfield sites will continue to remain idle, blighting neighborhoods and undermining local revitalization.

Sincerely,

A handwritten signature in black ink, appearing to read 'SH', is written over a horizontal line.

Steve Hinniker

On behalf of the Brownfields Study Group

cc: Brownfields Study Group